AIR-4.10 Warfare Analysis Department Contract Industry Day

N00421-04-R-0088

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30 August 2004

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Why Industry Day?

- FAR 15.201
  - "Exchanges of information among all interested parties, from the earliest identification of a requirement through receipt of proposals, are encouraged…"
  - "The purpose of exchanging information is to improve the understanding of Government requirements and industry capabilities…and increase efficiency in proposal preparation, proposal evaluation, negotiation, and contract award…"

Ground Rules

- No informal Question/Answer session
  - Per FAR 15.201(f)
    - We don’t want to create any unfair competitive advantage to those interested offerors who were unable to attend.
  - Everyone was given the opportunity to address the Draft RFP package prior to Industry Day
    - If Questions arise during this conference, please submit them in writing at the appropriate time, and they will be formally addressed at the discretion of the contracting officer.
    - The Q&A session will be documented and posted to the NAVAIR homepage the week following Industry Day

Disclaimer

- Nothing said here today will qualify the terms and conditions of the RFP and the terms of the RFP remain unchanged unless it is amended in writing.
  - No final decisions have been made in regard to the RFP
  - Use info obtained from Industry Day and Draft RFP package for GENERAL planning purposes.
    - You should not rely on this info for proposal preparation purposes
    - Info that can be relied upon for that purpose will be released in the Official RFP package to the NAVAIR homepage (Following Industry Day)

Agenda

- Introduction: 0900
- Overview of Draft Sections L & M 0915
  (N00421-04-R-0088)
- LOCAR Brief 0930
- Technical Brief 0945
- Questions Submittal 1100
- Response to Questions 1200
- Wrap-up & Closing Remarks 1300

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Contract Type

- Contract will be a performance based single award Indefinite Delivery Order Indefinite Quantity (IDIQ)

- Task orders will be issued on a Firm Fixed Price (FFP) or a Fixed Price with reimbursable Line items (travel, material, NMCI) basis.

Section L

- There are Three (3) Volumes to Submit
  - Volume I: Offer
  - Volume II: Offeror Capability Information
  - Volume III: Price/Cost Supporting Information

- Follow the specific instructions listed in L.1 of the RFP (N00421-04-R-0088)

Section L cont…

- Proposals that:
  - Take exceptions to any terms/conditions of the RFP
  - Propose additional terms/conditions
  - Fail to manifest the unconditional assent to a term/condition of the RFP

  CONSTITUTE A DEFICIENCY (FAR 15.301)

*The only way to correct a deficiency is through Discussions.

Section L cont…

- The Government *intends* to award **w/out** Discussions (See L.1(e) of the Draft RFP)
- Therefore:
  - Do **not** submit an offer that takes exception to any term/condition of this RFP, proposes additional terms/conditions, or omits any required information **Without:**
    - First consulting with the Contracting Officer

Volume I: The Offer

- Submit Original and Two (2) Copies
- Consists of:
  - Page 1 of RFP (SF 33) w/ Blocks 13, 14, 15, 16, 17, & 18 completed
  - Completed Section B of RFP (Supplies or Services & Prices/Costs)
    - Fill in your proposed labor categories
    - Fill in your offered fully burdened hourly rates and the extended labor cost
  - Completed Section K of RFP (Reps & Certs)
  - Completed Small Business Subcontracting Plan (Large businesses only)
    - 30% of total proposed effort with 5% going to SDB
  - Acknowledgement of any/all RFP amendments by signature on each applicable SF 30

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Volume II: Offeror Capability Info

- Submit Original and Seven (7) Copies
  - Understanding of the Work:
    - Provide an **OVERVIEW** of what will be presented during the Oral Presentation
    - The overview is to be limited to 15 pages (not including graphs, charts, or diagrams)
    - Complete the Personnel Resource Matrix (RFP Attachment 3)
    - Provide a maximum of One (1) page Key Personnel Summary for each personnel proposed as “Key”

Volume II cont…

- Relevant Experience:
  - Submit a completed Relevant Corporate Experience Matrix (Attachment 4 to the RFP)
  - Submit a supportive narrative on the experience gained from each contract/subcontract listed
    - Maximum of fifteen (15) pages for all references listed.
    - Summarize your experience in each task area of the SOW

Volume II cont…

- Past Performance:
  - Provide a list of references (and have subs provide a list too) using the Past Performance Matrix
    - Performance during the last three (3) years on your:
      - » Quality/Timeliness of work
      - » Reasonableness of prices, costs, & claims
      - » Reasonableness of business behavior
      - » Concern for the interests of customers
      - » Integrity
  - Submit a Past Performance Questionnaire to each reference listed on the Past Performance Matrix
    - Minimum of Three (3) references
    - Provide confirmation & date that these were sent to each ref.
    - Instruct them to return the questionnaire to Jessica McGee(by proposal due date)
      - » Fax: (301) 757-8959
      - » Email: jessica.mcgee@navy.mil

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Volume II cont…

- Small Business and Small Disadvantaged Business (SDB) Subcontracting Strategy (Large and Small Businesses)
  - Unless exempt (FAR 19.702(b)(1)), provide a Small Business and SDB Subcontracting Srategy (see L.2.2.(e))
  - Address strategy for using SB and SDB
  - Describe:
    - extent, complexity and variety of work that SBs and SDBs will perform
    - list targets in whole dollars
    - percentages of total contract value
    - applicable No. American Industry Classification System (NAICS) Code
    - past experience in meeting proposed goals and processes to correct inability to meet proposed goals.
  - The SB and SDB Subcontracting Strategy will also be evaluated on its consistency with the Small Business Subcontracting Plan as required in Volume I (L.2.1(d)).
  - **Small Business and SDB Subcontracting Strategy** Limited to 10 pages (not including graphs, charts, or diagrams)

Volume II cont…

- Management Approach (page limit: 10 pages)
  - Describe:
    - Existing relevant commitments
    - Proposed management strategies to accomplish work
    - Org. structure showing:
      - Internal lines of communication
      - Authority levels
      - Supervision to avoid interference with work completion
    - Extent of involvement of subcontractors
    - Reporting techniques
    - Available systems for monitoring qualitative/quantitative aspects of contract performance

Volume III: Price

- Submit an Original and Five (5) copies
  - 3 copies to the contracting office
  - 1 copy to the cognizant DCMA Office
  - 1 copy to the cognizant DCAA Office

- Submit an electronic copy of the entire cost proposal to the Contracting Office
    - 3.5”, double sided, high density disk or CD-ROM
    - Electronic version must be functional (with formulas, not read-only)
    - Microsoft Excel 97 (or higher) compatible
    - No viruses, locked cells, or password protections!

- Please adhere to L.2.3(c, d, e, & f) of the RFP

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Volume III cont…

- Labor Tiers
  - Project Management
  - Warfare Analysis
  - ORA
  - Information Technology
  - Engineering
  - Experts & Scientists
  - Admin/Other support

- Offerors are to propose their own specific labor categories in Section B and to spread out the estimated level of effort within the various labor tiers among the specific labor categories proposed under the applicable tiers.

Oral Presentation

- Understanding of the Work (only)
- Consists of:
  - The Oral Presentation
    - Limited to 90 minutes (strictly enforced)
    - 15 minute recess
    - After recess, come back for a Q&A session (clarify info)
  - Three (3) “Pop Quiz” sample tasks
    - Three (3) hour recess to prepare oral responses to ALL
    - Offerors limited to 45 minutes (15 minutes/sample task)
    - Optional 10 minute recess after each presentation
    - A Q&A session will follow each recess

Oral Presentation cont…

- Do not mention Price, Past Performance, Relevant Corporate Experience, Small Business Subcontracting Strategy, or Management Approach

- Use Computer Presentation Programs or Slides/Transparencies (No limit to # of slides)
  - You must provide all of the equipment necessary
  - You will be responsible for video taping all required presentations and provide a copy to the Govt.
  - Mark your presentation media IAW FAR 52.215-1(e)

Oral Presentations cont…

- One or More of the personnel who will manage/supervise contract performance on a full time basis (i.e. Program Manager or Key Personnel) must make the presentation.
  - NO Consultants
  - NO more than Ten (10) attendees

Section M

- The Evaluation Factors (and subfactors) are listed in Descending order of Importance

1. Offeror Capability
    - Understanding of the Work (Oral Presentation)
    - Relevant Corporate Experience
    - Past Performance
    - Small Business and Small Disadvantaged Business Subcontracting Strategy
    - Management Approach
2. Price/Cost and Fee

Offeror Capability is significantly more important than Price/Cost and Fee (Best Value: Tradeoff Process)

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Streamlined Delivery Order Process

- Section I Clause 5252.216-9540
  - Government develops:
    - IGCE
    - SOW
    - Delivery/Task Order
  - Government sends the all of the above to the contractor.
    - if contractor agrees, they sign the order and return.
    - If contractor disagrees, they submit a proposal addressing the specific areas of concern

Performance Based Orders

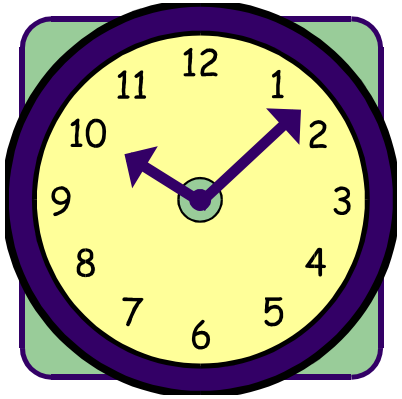
- **Standards/Acceptable Quality Level (AQL)/Incentives(+/-)**

  - Task Order Performance Survey. The contractor shall distribute one (1) Task Order Performance Survey to the primary task order customer at the conclusion of the task order performance and instruct the customer to return the completed survey to the contractor task order point of contact. Each completed survey is to be collected and given to the COR within 60 days after completion of the task order.

    - Standard – Customer Satisfaction
    - AQL - Vendor receives an average score on the Task Order Performance Surveys of an “7.0” or higher.
    - Incentives:
      - Positive – Eligibility for award of subsequent task orders.
      - Negative – Non-eligibility for award of subsequent task orders unless there is remediation with the COR.

LOCAR

- What is LOCAR?
  - **L**evel **O**f **C**onfidence **A**ssessment **R**ating
  - Streamlined Source Selection approach
  - Substantially reduces proposal size
  - A Best Value Technique using the Tradeoff Process



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LOCAR

- Source Selection Decision
  - Made by comparing and ranking offers on the basis of their chances of success and their prices
  - Higher the LOCAR the better chance of success, and the lower the risk of doing business with that firm
  - Provide for a selection of the contractor on the basis of a tradeoff between expected value and price

LOCAR Rating Scale

Less Confident (Less likely to succeed)	**Neutral** (Equally likely to succeed as fail)	**More Confident** (More likely to succeed)	**Most Confident** (Most likely to succeed)
Low- Low Low +	Moderate	High – High	High +

Assigning a LOCAR

Offeror Capability/LOCAR Determination						
Offeror	Understanding of the Work (Oral Presentation)	Relevant Corporate Experience	Past Performance	Small Business and Small Disadvantaged Business Subcontracting Strategy	Management Approach	LOCAR
A	Excellent	Excellent	Excellent	Excellent	Good	High +
B	Good	Excellent	Good	Good	Excellent	High
C	Good	Good	Poor	Poor	Poor	Moderate
D*	*Offeror D's submission was unacceptable, therefore, no LOCAR assigned					None

Best Overall Value

Best Overall Value		
Offeror	LOCAR	Price/Cost & Fee (based on Cost Realism)
A	High +	$52M
B	High	$49M
C	Moderate	$56M
D	None	$54M

- The Government will make a series of paired comparisons among the offerors
  - Trade-offs between the non-price factors and the most probable cost and proposed fee
  - If one offeror has both the higher LOCAR and the lower price, then they're the best overall value.
  - If one offeror has the higher LOCAR and the higher price, then the Government must decide whether the margin of the higher LOCAR (i.e. greater prospects for success) is worth the higher price (Tradeoff)
  - This will continue until the Government decides which offeror is the best overall value.
    - SSEB makes recommendation to the SSA using the LOCAR tool above

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Conclusion

- LOCAR reduces procurement lead time
- LOCAR reduces proposal size
- Evaluators have access to more meaningful and open exchanges during oral presentations